

Organic Perspectives

Special Edition: Updates and Reports

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Next Newsletter in September 2004

This edition is dedicated to recent news on the international organic issues and markets. For further information, contact Angela Thomas, (202) 720-1533, Angela.Thomas@fas.usda.gov.

Market Access Program Funding Allocated for Fiscal Year 2004

The U.S. Department of Agriculture announced fiscal year 2004 allocations to U.S. trade organizations to promote U.S. agricultural products overseas. The Market Access Program (MAP) uses funds from USDA's Commodity Credit Corporation to help U.S. producers, exporters, private companies, and other trade organizations finance promotional activities for U.S. agricultural products. The Organic Trade Association has been allocated \$250,063 in MAP funds to promote U.S. organic agricultural products overseas for fiscal year 2004.

Source: For fiscal year allocations for each program or more information visit <http://www.fas.usda.gov/>.

Interest Growing in Organic Products

Organic products are thriving as increased visibility has led to more mainstream interest in the market. According to the Organic Trade Association's 2004 Manufacturer Survey, sales of U.S. organic food and non-food items grew by approximately 20 percent during 2003 to reach \$10.8 billion. The meat, fish, and poultry category was projected to have the highest growth rate-30.7 percent-from 2004 to 2008. Snack food sales also jumped 29.6 percent to \$484 million. Approximately 44 percent of organic food sales were sold at supermarkets and grocery stores, as organic snack foods carve out a niche in consumer purchasing power.

Source: For more information on the survey and the Organic Trade Association visit <http://www.ota.com/>.

New Certifier Group Forms

A new group of USDA-accredited certifiers has formed after dissolving their affiliation with the Organic Trade Association. In a statement from John Cleary, with NOFA-Vermont and co-chair, the Accredited Certifiers Association (ACA) stated that they are not a disgruntled group of certifiers with OTA, but are hoping to have a better relationship with the National Organic Program. As read in the OTA Newsletter. "OTA wishes ACA well in developing its organization and looks forward to continuing to serve its certifier members as part of the collective OTA voice." The new organization wants to develop uniform criteria and training for certified operations under the National Organic Program. It also wants to provide a forum for issues that impact organic certification, and develop a strategy for reforming laws that impact certifiers. The ACA will be holding their first organizational meeting at the Natural Products Expo in October.

Source: For more information visit <http://www.ota.com/>.

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USDA Releases 2002 Census of Agriculture

The [National Agricultural Statistical Service](#) released census data from the 2002 Census of Agriculture-the Nation's largest agricultural information-gathering project. The report provides first time facts about organic crop acreage and sales. Highlights of the Census regarding organics includes:

- There were 11,998 certified organic farms in the United States in 2002.
- The value of organically produced commodities reached \$392.8 million in 2002.

The Census of Agriculture is the only source of uniform agricultural data for every county in the United States. For the first time, data for every county and state have been statistically adjusted to account for farms missed or misclassified in the census.

Source: Thousands of aggregate facts and figures can be accessed online from the NASS website at <http://www.usda.gov/nass/>.

Opportunity for U.S. Organic Products in Taiwan, Singapore

Organic food products are enjoying a growing demand in Taiwan and Singapore. Taiwan is seeing strong growth in its demand for certified organic products. The \$49 million in organic products estimated to have been consumed in 2003 represent a 75 percent increase over 1999 consumption levels. Singapore, a highly urbanized area, boasts an estimated 50,000 consumers who paid \$4.7 million in 2002 for organic products. Low tariff barriers encourage U.S. exports to Singapore. Organic consumers in Taiwan and Singapore, with consistent consumer education activities as well as workshops with importers, wholesalers, and retailers, help to reinforce the advantages of organic products.

Source: For more information visit visit <http://www.fas.usda.gov/info/agexporter/agexport.html>.

U.S. and EU Working on Organic Trade Agreement

The U.S. and European Union (EU) are seeking to conclude an agreement to facilitate trade in organic products. Discussions have been ongoing since June 2002. A meeting was held on May 25-27 between the United States and the EU. Parties represented included the United States Foreign Agricultural Service (FAS), the Agricultural Marketing Service (AMS), the U.S. Trade Representative, the State Department, and representing the EU commission were the Agriculture Directorate-General and Trade Directorate-General. Observers believe the talks could draw to a close sometime this summer. Mark Manis, FAS international trade specialist and a negotiator on the talks states that the potential of the agreement could be a win-win situation for organic agriculture.

Source: For more information contact [Allison Thomas](#), (202) 690-1850.

European Action Plan for Organic Farming Passed

On June 10 the "European Action Plan for Organic Food and Farming" passed signaling the European Commission's commitment to organic farming. The 21-point action plan proposes concrete steps for boosting demand and improving production, but has no financial resources of its own. Of the 21 presented actions, 14 are concerned with standards and control. The Commission has refrained from stipulating the use of the EU logo for organic products.

Source: For more information visit <http://www.biofach.de/>.



USDA News

FAS Organic Products Web Site

The FAS Organic Products Web site at <http://www.fas.usda.gov/agx/organics/organics.html> offers constant updates in the "Hot Markets" section. Visit the page frequently for the latest news!

The most recent [FAS international reports on organics](#) markets and issues includes:

- [European Action Plan for Organic Food and Farming](#)

FAS will continue to gather useful and informative data on these markets and will keep you informed as it becomes available.

Trade Shows 2005 Spotlight

BioFach Germany (Nuremberg, February 24-27, 2005)

The FAS Trade Show Office and the FAS Office of Agricultural Affairs at the American Embassy in Berlin invites you to exhibit your products under the USA Pavilion at USDA-endorsed BioFach 2005 at the Exhibition Centre in Nuremberg, Germany. BioFach, held annually, is the world's largest organic trade show.

For more information on exhibiting at these international events, contact Sharon Cook in the USDA/FAS Trade Show Office at Sharon.Cook@usda.gov or (202) 720-3425.



Upcoming Events

For a complete list of events, visit the FAS Organic Products Web site "[Calendar of Events for the Organic Industry](#)".

International

- **September 19-20, 2004** – The Natural Trade Show. Harrogate, England. For more information visit <http://www.naturaltradeshow.com>.
- **September 21-23, 2004** – BioFach Japan. Tokyo, Japan. For more information visit <http://www.biofach-japan.com>.
- **October 6-8, 2004** – 3rd International IFOAM Coffee Conference. For more information visit <http://www.ifoamconference.org>.

Domestic

- **October 14-17, 2004** – Organic Products Expo-Biofach America. Washington, DC. For more information visit <http://www.organicproductsexpo.com>.
- **October 14-17, 2004** – Natural Products Expo East. Washington, DC. For more information visit <http://www.expoeast.com/>.

Additional Resources:

- ❑ FAS, **AgExport Services Division's Organic Page** <http://www.fas.usda.gov/agx/organics/organics.html>
- ❑ **National Organic Program** Web site - <http://www.ams.usda.gov/nop>

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